VIRGINIA:

## BK 1025PG0396

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB 04-1214-1365

ELECTIONS: UNIT AV-127 (herein "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

TAX MAP IDENTIFICATIN NUMBERS:

TAX MAP IDENTIFICATIN

NUMBERS FOR ALL PARCELS

AFFECTED BY THIS ORDER ARE

SHOWN ON EXHIBIT A page 2;

WHICH IS/ARE ATTACHED TO AND A

PART OF THIS ORDER.

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously executed in the captioned matter on July 21, 2005 which was recorded at Deed Book 946, Page 988 in the Office of the Clerk of the Circuit Court of Tazewell County, Virginia, on July 26, 2005, and also recorded at Deed Book 635, Page 540 and in the Office of the Clerk of the Circuit Court of Russell County, Virginia, on July 25, 2005 (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit AV-127;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, Attn: Judy Barger or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the

information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven seven (7) days from the date of receipt of this Order.

Order.	
<u>Conclusion:</u> Therefore, the findings and all te granted and IT IS SO ORDERED.	erms and provisions set forth above be and hereby are
Effective Date: This Order shall be effective or	the date of its execution.
DONE AND EXECUTED this 20 th day of	of March , 2008, by a majority of the Virginia
Gas and Oil Board.	
	B- Jul sh
	Chairman, Benny R. Wampler
STATE OF VIRGINIA COUNTY OF WISE Dashing ten Acknowledged on this 2D day of M	경기가 하게 있다는 데데 그런 그렇게 되었다면 하는데 그리는 그렇게 그렇게 되었다.
in and for the Commonwealth of Virginia, appeared	, 2007, personally before me a notary public d Benny R. Wampler, being duly sworn did depose and Board, that he executed the same and was authorized to
do so.	Dane of Deurs
My commission expires: 930/09.	Notary 194394
DONE AND PERFORMED THIS 20 day of 1	March, 200%, by Order of the Board.
	Start
	B. R. Wilson, Principal Executive to the Board
STATE OF VIRGINIA COUNTY OF WASHINGTON	
Acknowledged on this 20 day of public in and for the Commonwealth of Virginia, a	2007, personally before me a notary appeared B. R. Wilson, being duly sworn did depose
and say that he is Director of the Division of Gas &	& Oil Board and Principal Executive to the Board, that
he executed the same and was authorized to do so.	Dane Orbules
My commission expires: $9/30/09$ .	Diane J. Davis, Notary
iviy commission expires.	194394

#### VIRGINIA:

#### Exhibit A

## BEFORE THE VIRGINIA GAS AND OIL BOARD

#### IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit AV-127 VGOB 04-1214-1365 in the Maiden Springs & New Garden Districts of Tazewell and Russell Counties, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Gas Company LLC, as a Manager – Environmental / Permitting and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on July 21, 2005, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on July 26, 2005 and July 25, 2005 respectively;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

#### None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of July 20, 2004;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

#### See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

#### None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

#### None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

#### None

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Mercer, West Virginia, this 24th day of October 2607.

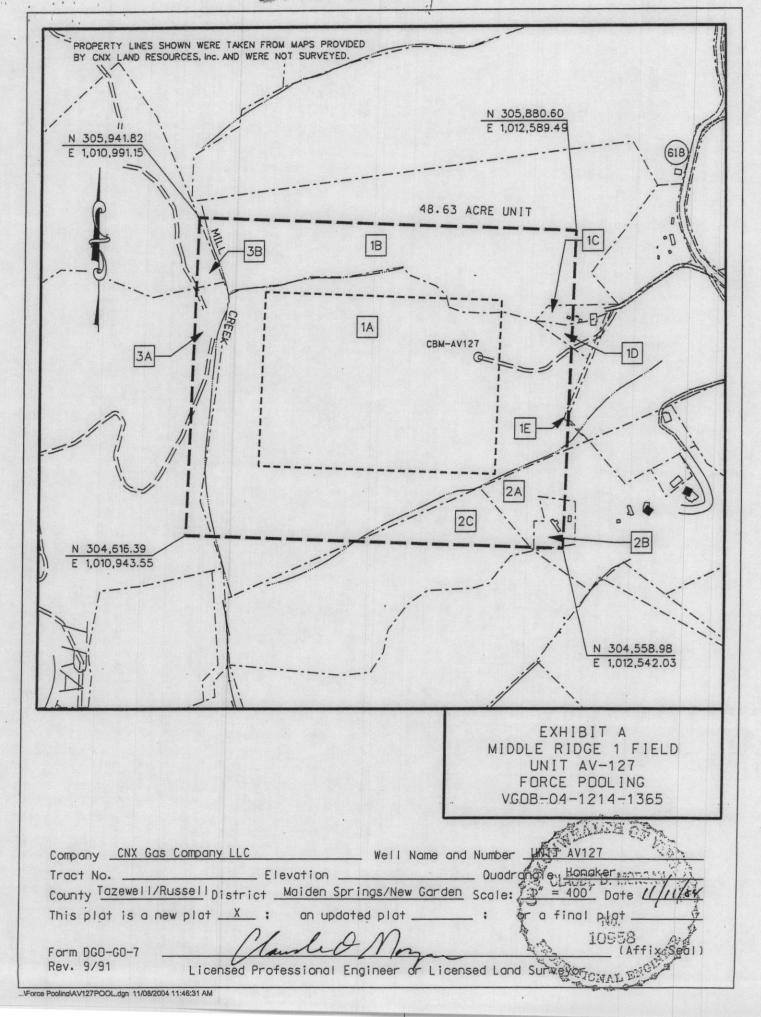
Audio Leslie K. Arrington

Taken, subscribed and sworn to before me by Leslie K. Arrington as a Manager - Environmental / Permitting for CNX Gas Company LLC, on behalf of the corporate Designated Operator, this 24th day of \_\_\_\_\_\_\_\_, 2007.

Melissa Lember

My commission expires: Apr: 1 9, 2013

OFFICIAL SEAL NOTARY PUBLIC STATE OF WEST VIRGINIA MELISSA CUMBOW CNX GAS COMPANY, LLC 2481 JOHN NASH BLVD. BLUEFIELD, WV 24701 My commission expires April 9, 2013



## CNX Gas Company LLC UNIT AV-127

**Tract Identifications** 

- 1A. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 40 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased CNX Gas Company LLC Surface and All Minerals except Coal (Tax Map 84 Parcel 13)
  31.56 acres 64.8982%
- 1B. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 40 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased Buford E. Short, et ux Surface and All Minerals except Coal (Tax Map 84 Parcel 12)

  9.84 acres

  20.2344%
- 1C. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 40 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased John McClanahan, et ux Surface and All Minerals except Coal (Tax Map 84 Parcel 18)

  0.22 acres

  0.4524%
- 1D. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 40 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased John McClanahan, et ux Surface and All Minerals except Coal (Tax Map 84 Parcel 17)

  0.17 acres

  0.3496%
- 1E. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 40 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased Carol Sims, et vir Surface and All Minerals except Coal (Tax Map 84 Parcel 20)

  0.01 acres

  0.0206%

## CNX Gas Company LLC UNIT AV-127

**Tract Identifications** 

- 2A. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 21 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased Gladys Salyers Surface and All Minerals except Coal (Tax Map 84 Parcel 22)

  1.56 acres 3.2079%
- 2B. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 21 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased Dale Salyers, et ux Surface and All Minerals except Coal (Tax Map 84 Parcel 24)

  0.51 acres

  1.0487%
- 2C. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 21 Coal Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC CBM Leased Jackie Davis, et ux Surface and All Minerals except Coal (Tax Map 84 Parcel 25)
  2.03 acres
  4.1744%
- 3. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 41 All Minerals Reserve Coal Properties Company Below Drainage Coal Leased Knox Creek Coal Corporation Above Drainage Coal Leased CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84 Parcel 15)

  2.73 acres 5.6138%
- 3A. Hubert Short, et ux Surface (Tax Map 84 Parcel 15)
   3B. Edward S. Miller, et ux Surface (Tax Map 84 Parcel 14)

# Exhibit B-3 Unit AV-127 Docket #VGOB 04-1214-1365 List of Unleased Owners/Claimants (48.63 Acre Unit)

		Acres in Unit	Interest in Unit
II.	OIL & GAS FEE OWNERSHIP		
	Tract #1B, 9.84 acres		
	(1) Buford E. Short, et ux. 3929 Road Ridge Turnpike Raven, VA 24639	9.84 acres	20.2344%
	Tract #1C, 0.22 acres		
	(1) John McClanahan, et ux. 104 Stella Lane Raven, VA 24639	0.22 acres	0.4524%
	Tract #1D, 0.17 acres		
	(1) John McClanahan, et ux. 104 Stella Lane Raven, VA 24639	0.17 acres	0.3496%
	<u>Tract #1E, 0.01 acres</u>		
	(1) Carol Sims, et vir. 511 Pagewood Drive Newport News, VA 23602	0.01 acres	0.0206%
	Tract #2A, 1.56 acres		
	(1) Gladys Salyers 368 Stella Lane Raven, VA 24639	1.56 acres	3.2079%
	Tract #2B, 0.51 acres		
	(1) Dale Salyers 484 Stella Lane Raven, VA 24639	0.51 acres	1.0487%
	Tract #2C, 2.03 acres		
	(1) Jackie Davis, et ux. Rt.1 Box 16C Raven, VA 24639	2.03 acres	4.1744%

## Exhibit E

# Unit AV-117 Docket #VGOB 04-0720-1307

List of all conflicting Owners/Claiman | 025PG0404 (49.86 Acre Unit)

Acres in Unit Unit

Note: Only 25.9124% of the conflicting owners P3 seam ownership will be escrowed, not the entire tract.

#### Tract #5, 0.23 acres

(2)	Myrtle Donohoe Dye Heirs, Devisees, Successors or Assigns (Pocahontas Seam)	0.23 acres	0.4613%
(a)	James R. Grace 1812/8 Brekenridge Court Abingdon, VA 24211	0.00 acres 1/3 of 0.23 acres	0.0000%
(b)	Bill & Helen McReynolds 151 Star Lake Dr. Hawthorne, FL 32640	0.00 acres 1/3 of 0.23 acres	0.0000%
(c)	Peggy Arnett 2590 Lester Court Mansfield, OH 44903	0.00 acres 1/3 of 0.23 acres	0.0000%
OIL 8	GAS FEE OWNERSHIP		
(1)	H.C. Bostic Coal Company P.O. Box 220 Swords Creek, VA 24649	0.23 acres	0.4613%

### Tract #6, 4.62 acres

Escrow due to Unknown / Unlocatable

## COAL FEE OWNERSHIP

Address Unknown

COAL	LILE OWNERSHIP		
(1)	Fred Dye, et al. (Charles & Dora Dye Heirs, Devisees, Successors or Assigns)	4.62 acres	9.2659%
(3)	Fred Dye Heirs, Devisees, Successors or Assigns		
(d	) Hestor Dye Horton Heirs, Devisees, Successors or Assigns		
	(d.4) Michael Hughs Address Unknown	0.0070 1/660 of 4.62 acres	0.0140%
	(d.5) Jackie Hughs Address Unknown	0.0070 1/660 of 4.62 acres	0.0140%
(k)	) Darlene Dye	0.0350	0.0702%

1/132 of 4.62 acres

#### Exhibit E Unit AV-117 Docket #VGOB 04-0720-1307 List of all conflicting Owners/Claimants (49.86 Acre Unit)

BK 1025PG0405

		Acres in Unit	Interest in Unit
OIL 8	GAS FEE OWNERSHIP		
(1)	Fred Dye, et al. (Charles & Dora Dye Heirs, Devisees, Successors or Assigns)	4.62 acres	9.2659%
(3)	Fred Dye Heirs, Devisees, Successors or Assigns		
(d)	Hestor Dye Horton Heirs, Devisees, Successors or Assigns		
	(d.4) Michael Hughs Address Unknown	0.0070 1/660 of 4.62 acres	0.0140%
	(d.5) Jackie Hughs Address Unknown	0.0070 1/660 of 4.62 acres	0.0140%
(k	) Darlene Dye Address Unknown	0.0350 1/132 of 4.62 acres	0.0702%

INSTRUMENT #080001410 RECORDED IN THE CLERK'S OFFICE OF PRI 2. 2008 AT 01:019M JAMES E BLEVINS, CLERK RECORDED BY: ADR